

AMENDED IN ASSEMBLY MARCH 28, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1780

Introduced by Assembly Member Medina

February 3, 2016

An act to amend Section 39719 of the Health and Safety Code, ~~and to add Section 2192.4 to the Streets and Highways Code~~, relating to greenhouse gases, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1780, as amended, Medina. Greenhouse Gas Reduction Fund: ~~Sustainable Trade Corridors Program~~. *trade corridors*.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 60% of the annual proceeds of the fund for transit, affordable housing, sustainable communities, and high-speed rail purposes.

This bill, beginning in the 2016–17 fiscal year, would continuously appropriate ~~25%~~ 20% of the annual proceeds of the fund to the California Transportation Commission ~~for the Sustainable Trade Corridors Program, which the bill would establish~~, *to be allocated to*

reduce greenhouse gas emissions in trade corridors consistent with specified guidelines, thereby making an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 39719 of the Health and Safety Code is
2 amended to read:

3 39719. (a) The Legislature shall appropriate the annual
4 proceeds of the fund for the purpose of reducing greenhouse gas
5 emissions in this state in accordance with the requirements of
6 Section 39712.

7 (b) To carry out a portion of the requirements of subdivision
8 (a), annual proceeds are continuously appropriated for the
9 following:

10 (1) Beginning in the 2016–17 fiscal year, and notwithstanding
11 Section 13340 of the Government Code, ~~60~~ 55 percent of annual
12 proceeds are continuously appropriated, without regard to fiscal
13 years, for transit, affordable housing, and sustainable communities
14 programs as follows:

15 (A) Ten percent of the annual proceeds of the fund is hereby
16 continuously appropriated to the Transportation Agency for the
17 Transit and Intercity Rail Capital Program created by Part 2
18 (commencing with Section 75220) of Division 44 of the Public
19 Resources Code.

20 (B) Five percent of the annual proceeds of the fund is hereby
21 continuously appropriated to the Low Carbon Transit Operations
22 Program created by Part 3 (commencing with Section 75230) of
23 Division 44 of the Public Resources Code. Moneys shall be
24 allocated by the Controller, according to requirements of the
25 program, and pursuant to the distribution formula in subdivision
26 (b) or (c) of Section 99312 of, and Sections 99313 and 99314 of,
27 the Public Utilities Code.

28 (C) Twenty percent of the annual proceeds of the fund is hereby
29 continuously appropriated to the Strategic Growth Council for the
30 Affordable Housing and Sustainable Communities Program created
31 by Part 1 (commencing with Section 75200) of Division 44 of the
32 Public Resources Code. Of the amount appropriated in this
33 subparagraph, no less than 10 percent of the annual proceeds shall

1 be expended for affordable housing, consistent with the provisions
2 of that program.

3 ~~(D) Twenty-five~~ Twenty percent of the annual proceeds of the
4 fund shall be transferred to the Trade Corridors Improvement Fund,
5 continued in existence pursuant to Section 2192 of the Streets and
6 Highways Code, and is hereby continuously appropriated to the
7 California Transportation Commission ~~for the Sustainable Trade~~
8 ~~Corridors Program created by Section 2192.4 of the Streets and~~
9 ~~Highways Code.~~ *to be allocated to reduce greenhouse gas*
10 *emissions in trade corridors consistent with the Trade Corridors*
11 *Improvement Fund guidelines developed by the commission.*

12 (2) Beginning in the 2015–16 fiscal year, notwithstanding
13 Section 13340 of the Government Code, 25 percent of the annual
14 proceeds of the fund is hereby continuously appropriated to the
15 High-Speed Rail Authority for the following components of the
16 initial operating segment and Phase I Blended System as described
17 in the 2012 business plan adopted pursuant to Section 185033 of
18 the Public Utilities Code:

19 (A) Acquisition and construction costs of the project.

20 (B) Environmental review and design costs of the project.

21 (C) Other capital costs of the project.

22 (D) Repayment of any loans made to the authority to fund the
23 project.

24 (c) In determining the amount of annual proceeds of the fund
25 for purposes of the calculation in subdivision (b), the funds subject
26 to Section 39719.1 shall not be included.

27 ~~SEC. 2. Section 2192.4 is added to the Streets and Highways~~
28 ~~Code, to read:~~

29 ~~2192.4. (a) The Sustainable Trade Corridors Program is hereby~~
30 ~~established and shall be administered by the commission.~~

31 ~~(b) (1) Moneys appropriated to the commission for the program~~
32 ~~from the Greenhouse Gas Reduction Fund, pursuant to Section~~
33 ~~39719 of the Health and Safety Code, shall be allocated by the~~
34 ~~commission consistent with the requirements of this chapter.~~

35 ~~(2) At least 10 percent of the moneys available for the program~~
36 ~~shall be allocated for research and development projects that~~
37 ~~promote sustainable trade corridors, consistent with the~~
38 ~~requirements of Section 2192.2.~~

- 1 ~~(e) (1) Applications for grants under the program shall be~~
2 ~~submitted to the commission for evaluation in accordance with~~
3 ~~procedures and program guidelines approved by the commission.~~
4 ~~(2) The application shall define the project purpose, intended~~
5 ~~scope, proposed cost, intended funding sources, and schedule for~~
6 ~~project completion.~~
7 ~~(3) Eligible applicants may submit more than one application~~
8 ~~for grants under the program pursuant to this section.~~